

Officer

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SUPPORT DOCUMENT

RULE 412—REGISTRATION REQUIREMENTS FOR STATIONARY AND PORTABLE COMPRESSION IGNITION ENGINES USED IN AGRICULTURAL OPRATIONS

Background:

California Health and Safety Code (HSC), Section 39650 et seq., requires the California Air Resources Board (CARB) to develop Airborne Toxic Control Measures (ATCMs) to reduce public exposure to toxic air contaminants. HSC 39666(d) requires districts to implement and enforce airborne toxic control measures developed by the CARB, or propose regulations enacting an ATCM that are equally effective or more stringent than the State ATCM. Current District policy is to implement and enforce the ATCM and not seek adoption of a separate District rule.

In 2004, the state eliminated exemptions for agricultural operations under the threat of federal sanctions. On November 16, 2006, the CARB adopted amendments to the Airborne Toxic Control Measure for Diesel Particulate Matter from Stationary Compression Ignition (CI) Engines Rated at 50 Brake Horsepower or Greater. The purpose of the amendments is to reduce diesel particulate matter (PM) emissions from stationary compression ignition engines used in agricultural operations. In addition to setting emissions standards for these engines, the amendments also require that all stationary agricultural engines be either permitted or registered with the local air district. The amendments authorize the districts to charge a fee for the purpose of recovering the cost of implementing and enforcing the provisions of the ATCM.

The Air Resources Board has provided guidance to the Districts that portable CI engines used exclusively at agricultural sources under common ownership shall be subject to the Airborne Toxic Control Measure for Stationary Compression Ignition Engines.

CARB has estimated that there are approximately 61 agricultural stationary and portable compression ignition engines in Placer County that are subject to the registration requirements contained in the State ATCM. CARB recommends treating portable pump engines as stationary since they rotate among a small number of stationary groundwater wells.

Discussion:

The purpose of proposed new Rule 412, Registration Requirements for Stationary Compression Ignition Engines Used in Agricultural Operations and the proposed revision to Rule 601, Permit

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Fees is to establish standards and procedures for the issuance of Certificates of Registration by the Air Pollution Control Officer (APCO) for registration of certain CI engines rated at greater than 50 brake horsepower (bhp) used in agricultural operations within Placer County and to establish a fee schedule for initial registration and renewal of Certificates of Registration for those engines.

Proposed Rule 412 applies to all stationary and portable CI engines used in agricultural operations with a rated capacity greater than 50 bhp, except agricultural wind machines and emergency generators. The proposed new rule requires the owner or operator of in-use stationary and portable CI engines used in agricultural operations to submit an application(s) for a Certificate(s) of Registration by March 1, 2008, for each in-use engine subject to the registration requirements. Rule 412 also requires the owner or operator of any new stationary or portable CI engine used in agricultural operations installed after the adoption date of this rule to submit an application for a Certificate of Registration within 90 days of engine installation. Each application for a Certificate of Registration must contain the following information:

- Date of registration application submittal;
- Name, title (as applicable), and signature of person submitting the registration application;
- Name, address, mailing address (if differs from address), and telephone number of the engine owner and of the operator, if the owner is not also the operator;
- Date of installation or anticipated installation;
- Year of manufacture or approximate age, if unable to determine year of manufacture;
- Make, model and serial number;
- Maximum rated brake horsepower;
- Certification status with respect to Off-Road CI Engine Certification Standards (title 13, CCR, section 2413) (if available);
- Estimated annual average operating hours;
- Each fuel used and estimated annual average gallons of each fuel used, if alternative diesel fuels are used;
- Location description that clearly identifies the location of the engine, which includes at
 least one of the following: latitude and longitude, universal trans meridian (UTM)
 coordinates, global positioning satellite data (GPS), address, town and nearest cross
 streets and distance and direction from the cross streets to the engine, parcel or plot
 number/designation, or other complete description that clearly identifies the location of
 the engine. For portable engines, information shall be provided for each use location;
- For an engine located within one-quarter mile (1,320 feet) of a residential area, school, or hospital:
 - O Distance (in meters or feet) from engine to residential area, school, or hospital;
 - o Direction from engine to residential area, school, or hospital;
 - Location of engine and residential area, school, or hospital that clearly identifies each location, including at least one of the following for each: latitude and longitude, universal trans meridian (UTM) coordinates, global positioning satellite data (GPS), address, town and nearest cross streets and distance and

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direction from the cross streets to the engine and residential area, school or hospital, or other complete description that clearly identifies the locations.

Proposed new Rule 412 also establishes application processing timelines and other administrative requirements. Upon completion of an application and payment of applicable fees, a Certificate of Registration will be issued to the owner/operator of the engine. Each Certificate of Registration will be valid for three (3) years and will be renewable upon payment of the renewal fee outlined in revised Rule 601, Permit Fees.

Fiscal Impact:

<u>Cost of Compliance</u>: Proposed Rule 412 will impose costs on owners and operators of new and in-use stationary and portable agricultural engines that are required to be registered under this program. The proposed fees which would apply for each applicable CI engine are as follows:

- An initial registration fee would be imposed in the amount of \$100.00.
- For registrations after the initial March 1, 2008 deadline for in-use engines, the registration fee would be equal to the cost of 1.1 labor hours at the Districts general time and materials rate at the time of the registration application.
- A triennial renewal fee, due and payable no later than three years from the date the Certificate of Registration was initially issued, and every three (3) years thereafter, would be assessed in the amount of the cost of 0.6 labor hours at the District's general time and materials rate (currently \$90.00 per hour yielding a current fee of \$54.00).

The initial registration fee of \$100 per engine (potential revenue of \$6,100 based on an estimated 61 stationary agricultural engines) will be used to offset District costs for outreach to the agricultural community, review applications for registration, issue the Certificate of Registration, create a database to track the status, enter the data, and mail the Certificate to the engine owner or operator. Estimated staff time for these tasks is 68 hours. At the District's current general time and materials labor rate of \$90 per hour this cost is \$6120.

The triennial renewal fee of \$54 will generate \$3,294 of revenue (in current dollars) to offset the estimated costs of renewing the Certificate of Registration, updating the database, and mailing the renewal Certificate to the owner or operator of the engine. Estimated staff time for these tasks is 36.6 hours, which at the current labor rate is a cost of \$3,294.

The amended ATCM, in section 93115.8(d), authorizes Districts to assess a fee to recover the costs of implementing and enforcing agricultural stationary CI engine standards and a registration program for these engines. In addition, the Health and Safety Code, in section 41512.5, authorizes a district board to adopt fees to recover the costs of implementing laws regarding non-permitted emission sources.

It is anticipated that the District will be required to conduct an inspection shortly after the compliance date to verify replacement of the diesel engine. A fee will be assessed for the

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inspection based on the actual staff time required to complete the inspection and document staff findings. Inspection fees will be assessed based on the District's hourly labor rate pursuant to Rule 601.

The revised Stationary Diesel ATCM contains a provision that allows the owner or operator of an in-use engine to request a compliance extension from the emissions standards for diesel particulate matter until a new cleaner engine is available, where the installation of a cleaner engine is required to reduce the risk to be below the established risk management thresholds. The granting of an extension requires that staff complete a technical evaluation of the potential cancer and non-cancer health risks that would result if the engine is replaced with a similar new engine. Any required staff time to complete an evaluation for a compliance extension will be billed at the District's hourly labor rate in accordance with District Rule 601 for the actual staff time required to complete the technical evaluation.

Type of Business Affected: Placer County farmers and ranchers will be affected by the new Rule 412. In addition, the Rule could have indirect impacts on electric power providers, fuel suppliers, and engine manufactures, dealers, and rental agencies. An in-use agricultural engine is typically a diesel-fueled engine that is located at a fixed location for the purpose of growing crops or raising animals for consumption. The CARB estimates that the majority of stationary CI engines used in agricultural operations are used to power irrigation pumps.

Impact to Economy: The number of stationary CI engines used in agricultural operations in Placer County is not known at this time, as the engines have never before been part of a permit or registration program, nor have there been any regulations governing their use until this time. Based on CARB's estimate, the District anticipates the registration of an estimated 61 engines at an initial cost of registration of approximately \$6,100, not including additional fees required due to inspections and technical evaluations. Using the same assumptions, the annualized cost thereafter would be approximately \$1,017, not including additional fees described above.

Public Outreach:

Agricultural Commission MACs Notice in public newspapers Public Workshops Public Hearing at Board Meeting